

## § 925.19

## 12 CFR Ch. IX (1–1–08 Edition)

year of the transfer and shall not be subject to the provisions on termination of membership set forth in section 6 of the Act (12 U.S.C. 1426) or §§ 925.26 and 925.27, nor the restriction on reacquiring Bank membership set forth in § 925.30.

[61 FR 42545, Aug. 16, 1996, as amended at 63 FR 65692, Nov. 30, 1998; 65 FR 8261, Feb. 18, 2000; 65 FR 13870, Mar. 15, 2000; 67 FR 12849, Mar. 20, 2002; 70 FR 9510, Feb. 28, 2005]

### Subpart D—Stock Requirements

SOURCE: 58 FR 43542, Aug. 17, 1993, unless otherwise noted. Redesignated at 61 FR 42542, Aug. 16, 1996.

#### § 925.19 Par value and price of stock.

The capital stock of each Bank shall be sold at par, unless the Board has fixed a higher price.

#### § 925.20 Stock purchase.

(a) *Minimum stock purchase.* Each member shall purchase stock in the Bank in which it is a member in an amount equal to the greater of:

- (1) \$500;
- (2) 1 percent of the member's aggregate unpaid loan principal; or
- (3) 5 percent of the member's aggregate amount of outstanding advances.

(b) *Timing of minimum stock purchase.*  
(1) Within 60 calendar days after an institution is approved for membership in a Bank pursuant to § 925.3 of this part, or an institution is automatically approved for membership pursuant to § 925.4(c) of this part, the institution shall purchase its minimum stock requirement as set forth in paragraph (a) of this section.

(2) At the election of an institution approved for membership, including those automatically approved under § 925.4(c) of this part, the institution may purchase its minimum stock requirement in installments, provided that not less than one-fourth of the total amount shall be purchased within 60 calendar days of the date of approval of membership, and that a further sum of not less than one-fourth of such total shall be purchased at the end of each succeeding period of four months from the date of approval of membership.

(c) *Commencement of membership.* An institution that has been approved for membership shall become a member at the time it purchases its minimum stock requirement or the first installment thereof pursuant to this section.

(d) *Failure to purchase minimum stock requirement.* If an institution that has submitted an application and been approved for membership fails to purchase its minimum stock requirement or its first installment within 60 calendar days of the date of its approval for membership, such approval shall be null and void and the institution, if it wants to be a member, shall be required to submit a new application for membership.

(e) *Reports.* The Bank shall make reports to the Finance Board setting forth purchases by institutions approved for membership of their minimum stock requirement pursuant to this section in accordance with the instructions provided in the Data Reporting Manual issued by the Finance Board, as amended from time to time.

[58 FR 43542, Aug. 17, 1993; 58 FR 47181, Sept. 7, 1993. Redesignated and amended at 61 FR 42542, 42549, Aug. 16, 1996; 63 FR 40024, July 27, 1998; 63 FR 65692, Nov. 30, 1998; 65 FR 8261, Feb. 18, 2000; 65 FR 13870, Mar. 15, 2000; 71 FR 35500, June 21, 2006]

#### § 925.21 Issuance and form of stock.

(a) A Bank shall issue to each new member, as of the effective date of membership, stock in the member's name for the amount of stock purchased and paid for in full.

(b) If the member purchases stock in installments, the stock shall be issued in installments with the appropriate number of shares issued after each payment is made.

(c) Stock may be issued in certificated or uncertificated form at the discretion of the Bank.

(d) A Bank may convert all outstanding certificated stock to uncertificated form at its discretion.

#### § 925.22 Adjustments in stock holdings.

(a) *Adjustment in general.* A Bank may from time to time increase or decrease the amount of stock any member is required to hold.

(b)(1) *Annual adjustment.* A Bank shall calculate annually, in the manner